RAJYA SAB HA

*Tuesday, the 23rd December,* 2003/2 *Pausa,* 1925 *{Saka)* The House

met at eleven of the clock,

MR. CHAIRMAN in the Chair.

## ORAL ANSWERS TO QUESTIONS

### Purchase of pipes by GAIL

*301. SHRIRAJU PARMAR:††
SHRIR. K.ANAND:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Gas Authority of India Limited (GAIL) has invited tenders for purchase of expensive longitudinally-welded pipes for laying down its Dahej-Vijaipur pipeline project;

(b) if so, what are the details in this regard and whether GAIL is losing more than Rs. 450 crores on the purchase of these pipes ignoring the advice of its authorised Belgium-based Engineers Consultant; and

(c) whether Government would probe the matter and if not, the reasons therefor?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI RAM NAIK): (a) to (c) A statement is laid on the Table of the House.

***Statement***

(a) to (c) GAIL (India) Limited (GAIL) has reported that they have procured pipes for their Dahej-Vijaipur Pipeline Project (DVPL) through international competitive bidding wherein technically the best available ^material at most competitive prices has been procured. The selection of vendors for procurement of pipelines has been done by GAIL keeping in view the pipeline requirement of the project and as per the technical advice of their consultants M/s Engineers India Limited. Tractebel Engineering, Belgium, who are consultants to GAIL for their upcoming

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†† The question was actually asked on the floor of the House by Shri Raju Parmar.

Dahej-Uran Pipeline Project, has also recommended Longitudinally Submerged Arc Welded (LSAW) Pipes only as against the other alternative of Helically Submerged Arc Welded (HSAW) Pipes. GAIL has denied that it has spent an extra amount of Rs. 450 crore in procuring pipes for its gas pipeline project. Based on safety and economic considerations, GAIL has to take a view on specifications of material to be procured for gas pipelines. Government will issue appropriate directions if considered necessary.

SHRI RAJU PARMAR: Mr. Chairman, Sir, the American Petroleum Institute has specified broad usage of steel pipes for this kind of pipeline projects. If so, whether this Institute was consulted before the purchase of expensive pipes which don't conform to the basic specification laid down by the American Petroleum Institute.

SHRI RAM NAIK: Sir, whatever specifications are given by that American Institute, they have been followed. We have appointed Engineers India Limited as our Consultant, and all procedures and formalsties are followed. Sir, on this occasion, I would like to inform the House—and it is a good news—that the first LNG terminal of the country for the import of LNG is getting ready and would be completed in the first week of January. The new gas, LNG, will come to India by the end of January and, thereafter, many problem of having gas shortage would be over.

MR. CHAIRMAN: There would be no need to put questions further!

SHRI RAM NAIK: Sir, the follow-up questions can be put.

SHRI RAJU PARMAR: Sir, the Steel Authority of India and other leading indigenous manufacturers are also manufacturing similar types of steel pipes and their rates are around $ 585 per metric tonne. I would like to know the reasons for not exploring the possibility of procuring these pipes from SAIL or local manufacturers. I would also like to know whether the Government would consider procuring these pipes from SAIL or local manufacturers for their future requirements.

SHRI RAM NAIK: Sir, the Consultant advised the use of LSAW (Longitudinally Submerged Arc Welded Pipes) and that is being done.

Now the SAIL is manufacturing different types of tubes. All the orders which have been given now, have luckily gone to the Indian manufacturers only and the the comparision of the price which the hon. Member has done-probably, he has taken the figure from Chinese. When the Chinese pipes woule be brought here, we have to add our import duty and other transport charges added, we have seen that, practically, the rate is at par. So, there is no high rate at which this is purchased.

**Utilisation of Godavari Water**

*302. SHRI RUMANDLA RAAMACHANDRAYYA: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether Government of Andhra Pradesh has entered into an agreement with the Austrian Government for utilisation of Godavari water in hydel and irrigation projects;

(b) whether water going waste and flowing into Bay of Bengal will be utilised with the implementation of this agreement; and

(c) by when the work on the proposed projects is likely to be f commenced?

THE MINISTER OF WATER RESOURCES (SHRI ARJUN CHARAN SETHI): (a) to (c) A Statement is laid on the Table of the House.

***Statement***

(a) Reportedly the Government of Andhra Pradesh has signed Memorandum of Undersanding (MoU) with the Government of Austria for exploring the possibility of widening cooperation in the development of Irrigation, Hydroelectric power, Health and Infrastructure related projects like urban transport in the State of Andhra Pradesh. An Implementation Agreement has also been signed between the Government of Andhra Pradesh and the Austrian Embassy

(b) As per the available information, Godavari Lift Irrigation Scheme at Devadula on the River Godavari which is mentioned in the MoU is planned to utilise 38.2 thousand million cubic feet of water. Pulichintala Project on River Krishna has been planned to work as a balancing reservoir.

(c) The proposal in respect of Godavari Lift Irrigation Scheme and Pulichintala Project from the Government of Andhra Pradesh' for